**FORM 51-102F1**

**ICON INDUSTRIES LIMITED**

**MANAGEMENT DISCUSSION & ANALYSIS – JUNE 30, 2009**

*The following management discussion and analysis ("MDA") provides information on the activities of Icon Industries Limited ("Icon" or the "Company") and should be read in conjunction with the unaudited financial statements and notes thereto for the six month periods ended June 30, 2009 and 2008, and the annual audited financial statements and notes thereto for the year ended December 31, 2008. The financial statements have been prepared in Canadian dollars and in accordance with Canadian generally accepted accounting principles. Readers are cautioned that management's discussion and analysis contains forward-looking statements and that actual events may vary from management's expectations.*

**Description of Business and Report Date**

The Company's principal business activity is the exploration and development of mineral properties. The Company currently has exploration properties in Manitoba and Quebec, as further described herein.

Certain information disclosed in this discussion is derived from the Company's unaudited financial statements for the six month period ended June 30, 2009 and the audited financial statements for the year ended December 31, 2008.

The following MDA is for the six month period ended June 30, 2009 (the "Current Period") and includes relevant information up to August 20, 2009 (the "Report Date").

**Overall Performance**

**Overview**

During the six month period ended June 30, 2009, the Company spent $688,846 on mineral property acquisition and exploration. Net loss for the six month period ended June 30, 2009 was $193,967.

**Hog Ranch Property, Nevada**

On April 28, 2009, the Company entered into a formal option agreement with Seabridge Gold Inc. ("Seabridge"), whereby in consideration of $500,000 (paid) and 1,000,000 common shares of the Company (issued), Seabridge grant the Company an option to purchase its 100% interest in certain unpatented lode mining claims and land, collectively the Hog Ranch and Estill Property in Washoe County, Nevada. To exercise the option, the Company shall pay Seabridge $525,000 and 1,000,000 common shares of the Company on or before April 17, 2010. The Company will pay a finder's fee of $95,000 ($56,250 paid and the remainder payable upon exercise of the option).

This property is subject to a 3% NSR due to a third party, Platoro West Inc. on production from the unpatented lode claims when gold is under $300 (US) per ounce, rising to 5% above $500 per ounce, 40% of which can be purchased by the Company at any time for $2 million.

**Otish Mountain Uranium Property**

The Company entered into a formal option agreement dated March 30, 2007 with Ms. Lai Lai Chan as provided for by the terms of the Letter Agreement. Pursuant to the terms of the Option Agreement, the Company has the right to earn a 100% interest in the Property by making $250,000 in cash payments, issuing 1,000,000 common shares, and completing $1,000,000 of expenditures on the property over 3 years as follows:

- Pay $75,000 (paid), issue 300,000 shares on March 30, 2007 (issued with a value of $273,000);
- Pay $75,000 (paid), issue 350,000 shares (issued with a value of $140,000), and incur exploration expenditures of $300,000 by March 30, 2008 (incurred);
- Pay $100,000, issue 350,000 shares, and incur $350,000 by March 30, 2009;
- Incur exploration expenditures of $350,000 by March 30, 2010.

The Property is subject to a 2% Net Smelter Royalty ("NSR") with the Company having the right to purchase half of the 2% NSR (i.e. 1%) for $1,000,000.

Also during the year ended December 31, 2007, the Company entered into an option agreement dated April 10, 2007 with Eloro

Resources Ltd. pursuant to which the Company has an option to earn up to a 55% interest in 7 mineral claims located in the Lac Henri prospect of the Otish Mountain area of Quebec. In order to earn an initial 50% interest, the Company is required to issue 300,000 common shares and complete $1,000,000 of expenditures on the property over a 3-year period. The terms are as follows:

- Issue 50,000 shares upon signing (April 23, 2007) (issued with a value of $60,000);
- Issue 100,000 shares (issued with a value of $55,000), and incur $150,000 of expenditures by the 1st year anniversary (incurred);
- Issue 150,000 shares, and incur $300,000 of expenditures by the 2nd year anniversary;
- Incur $550,000 of expenditures by the 3rd year anniversary.

Upon exercising the initial option, the Company has eighteen months in which to acquire a further 5% interest in the property by paying a further $500,000 in cash.

The Property is subject to a 2% NSR with the Company having the right to purchase half of the 2% NSR (i.e. 1%) for $1,000,000.

At December 31, 2008, the Company decided not to proceed with the options on the Otish Mountain Property and wrote off the carrying value of $2,531,693 in acquisition and exploration costs incurred on the property.

**Beresford Lake Property**

The Company acquired a 100% interest in the Beresford Lake Property (the "Property") near Bisset, Manitoba pursuant to an option agreement (the "Option") with Stephen Stares, Michael Stares, and Wayne Reid (collectively the "Optionors"). To acquire its 100% interest, the Company paid the Optionors $82,001 and issued 300,001 common shares of the Company with a value of $60,750. The Option also included a work commitment which the Company has met. The Property is subject to a 2% NSR with the Company having the right to purchase 1% of the NSR for $1,000,000 with a first right of refusal to the remaining 1%. The Option contains a provision for the acquisition of additional claim units in an area of interest surrounding the Property.

**Exploration Outlook**

*Hog Ranch*

The Hog Ranch Property is a large gold-bearing hydrothermal system which is the westernmost of a series of gold deposits in the northern Nevada epithermal district, which includes bonanza grade gold deposits such as the Sleeper, Midas and Hollister deposits. The deposits are related to the northern Nevada Rift system, a series of faults associated with 17 to 14 million year old Miocene age volcanism that are associated with the Yellowstone hotspot.

In the 1980's and early 1990's, Western Mining Corporation extracted approximately 200,000 ounces of gold from a low grade, open pit heap leach operation from the property. This production, and additional remaining resources, are in low grade, near surface style epithermal mineralization. Only limited testing to depth has occurred in the system, some drill holes of which have encountered high Au grades.

Icon believes that the Hog Ranch property contains high exploration potential for the discovery of bonanza-grade epithermal gold mineralization comparable to that seen in other deposits of the northern Nevada epithermal district. The low grade and high level style of mineralization which was historically mined is comparable to that seen above many higher grade systems. The previous drilling results, and other high grade intercepts which lie beneath the historically mined pits, also indicate the potential for bonanza grade styles of mineralization, and the local occurrence of chalcedonic banded quartz-adularia veins intersected in some drill holes and pits are of the style seen in upper parts of productive epithermal vein deposits. An initial data evaluation and modeling program is currently underway (August, 2009) along with additional geological mapping, and geochemical-alteration surveys, which is proposed to lead to a drilling program later in 2009.

*Beresford*

The Company does not plan to perform any exploration on the property, but has maintained the property in good standing, with the view to a potential joint venture in the future.

*Other*

The Company is also looking to acquire additional mineral exploration properties. As a result of the acquisition of the Hog

Ranch Property and the potential acquisition of other properties, the Company's general and administration costs may increase in line with the increased activity in the Company.

The content of the above property updates was reviewed by David Rhys, P. Geo., a director of the Company and a qualified person as defined by National Instrument 43-101.

**Results of Operations**

Three month period ended June 30, 2009

For the three months ended June 30, 2009, the Company incurred a net loss of $117,951 compared to a net loss of $130,721 for the three months ended June 30, 2008. The decrease in net loss of $12,770 is primarily the result of a decrease in general operating costs by $16,002 to $74,978 (2008 - $90,980) before stock-based compensation. The decrease in general operating costs was due to the reduction in investor relations activities as the Company has scaled back its investor relation activities provided by consultants since the second half of 2008. Stock-based compensation expense recognized during the current period was decreased by $6,803 to $43,567 (2008 - $50,370). This is a noncash expense which records the fair value of stock options that have vested during the period. The Black-Scholes option pricing model is used to calculate the fair value. These decreases were offset by a decrease in interest income of $10,035 from cash investment due to the significant drop in interest rates and cash balance.

Six month period ended June 30, 2009

For the six months ended June 30, 2009, the Company incurred a net loss of $193,967 compared to a net loss of $254,324 for the six months ended June 30, 2008. The decrease in net loss of $60,357 is primarily the result of a decrease in general operating costs by $30,002 to $146,301 (2008 - $176,303) before stock-based compensation. The decrease in general operating costs was due to the reduction in investor relations activities as the Company has scaled back its investor relation activities provided by consultants since the second half of 2008. Stock-based compensation expense recognized during the current period was decreased by $46,688 to $72,109 (2008 - $118,797). This is a noncash expense which records the fair value of stock options that have vested during the period. The Black-Scholes option pricing model is used to calculate the fair value. These decreases were offset by a decrease in interest income of $38,903 from cash investment due to the significant drop in interest rates and cash balance. Recovery of costs of $22,570 (2008 - $nil) was recognized during the period.

**Summary of Quarterly Results**

Results for the eight most recent quarters ending with the last quarter for the three months ending on June 30, 2009 are:

| | For the Three Months Ending | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Fiscal 2009 | | Fiscal 2008 | | | | Fiscal 2007 | |
| | June 30 | Mar. 31 | Dec. 31 | Sept 30 | June 30 | Mar. 31 | Dec. 31 | Sept 30 |
| | ($) | ($) | ($) | ($) | ($) | ($) | ($) | ($) |
| **Income Statement Data(1)** | | | | | | | | |
| Net loss | (117,951) | (76,016) | (2,590,064) | (144,990) | (130,721) | (123,603) | (296,806) | (242,787) |
| **Loss per common share outstanding – basic(1)** | | | | | | | | |
| Loss per share | (0.01) | (0.01) | (0.12) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) |
| **Loss per common share outstanding – diluted(1)** | | | | | | | | |
| Loss per share | (0.01) | (0.01) | (0.12) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) |

**(1)** The financial data presented above is derived from the Company's financial statements, which are prepared in accordance with accounting principles generally accepted in Canada and in Canadian dollars.

Factors That Affect the Comparability of the Quarterly Financial Data Disclosed Above

Due to the nature of the business, the cash balance generating interest income is subject to fluctuations from quarter to quarter. Also, the timing of equity financing and ensuing exploration and operating expenses are other factors affecting the level of expenditures from quarter to quarter.

## Outstanding Share Data

As of the Report Date, the Company had the following items issued and outstanding:

- 21,319,024 common shares
- 2,870,000 options to purchase common shares with a weighted average exercise price of $0.38 expiring between February 3, 2011 and March 19, 2014.
- 2,603,333 share purchase warrants with a weighted average exercise price of $0.30 expiring on April 13, 2010.

## Liquidity and Capital Resources

As at June 30, 2009, the Company had a cash balance of $659,469 compared to $1,352,400 as at December 31, 2008. The Company had working capital of $605,706 as at June 30, 2009 compared to working capital of $1,316,656 as at December 31, 2008.

Going Concern

The Company is in the mineral exploration and development business and has incurred losses since its inception. The Company has no revenue generating operations and has funded its operations primarily through the issue of capital stock. The Company may be required to raise additional funds in the future in order to explore and develop its mineral properties, to acquire additional exploration properties, or to acquire and develop other business opportunities. Although the Company has been successful in completing equity financings in the past, there can be no assurances that the Company will be able to secure acceptable financings in the future to conduct such activities. These factors, among others, raise substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustments to reflect the possible future effect on the recoverability and classification of the assets or the amounts and classification of liabilities that may result should we cease to continue as a going concern. Readers of this MD&A should refer to the Company's annual audited financial statements for the year ended December 31, 2008 and our unaudited interim financial statements for the three and six months ended June 30, 2009 and in particular Note 1 – "Nature of Operations and Going Concern" to these financial statements for further information.

Current quarter

During the second quarter, the cash balance decreased by $555,659. Operating activities provided $6,279 due to the decrease in receivable. The Company incurred $561,938 for acquisition of Hog Ranch property. The Company had no financing activities during the second quarter.

## Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

## Related Party Transactions

The Company paid or accrued amounts to related parties during the six month periods ended June 30 as follows:

| | 2009 | 2008 |
|---|---|---|
| Consulting and administrative fees to a company controlled by a director | $ 36,770 | $ 22,500 |
| Geological fees to companies controlled by directors of the Company | 7,060 | 7,445 |
| Legal fee expenses to a law firm controlled by a officer of the Company | 5,409 | - |
| Management fees to a company controlled by a director | 30,000 | 30,000 |
| Rent and office services to a company with directors in common with the Company | 7,915 | - |

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Included in accounts payable and accrued liabilities at June 30, 2009 is $1,270 (December 31, 2008 - $56,453) owing to related parties for services rendered to the Company.

**New Accounting Policies Adopted**

*EIC 173: credit risk and the fair value of financial assets and financial liabilities*
On January 20, 2009, the CICA issued EIC abstract 173 which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this standard did not have a significant impact on the Company's financial statements.

*EIC 174: mining exploration costs*
On March 27, 2009, the CICA issued EIC abstract 174 to provide additional guidance for mining exploration enterprises on when an impairment test is required. This abstract was applied during the current year. The adoption of this standard did not have a significant impact on the Company's financial statements.

Other new standards were issued, but are not expected to have a material impact on the Company's financial requirements.

**Recent Accounting Pronouncements**

*Goodwill and intangible assets*

The Canadian Accounting Standards Board ("AcSB") issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008.

*International financial reporting standards ("IFRS")*

In 2006, the AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

*Business Combinations, Non-controlling Interest and Consolidated Financial Statements*

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual financial statements for its fiscal year beginning January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

**Financial Instruments and Risk**

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The fair value of cash, receivables, and accounts payable and accrued liabilities are assumed to approximate their carrying amounts because of their short term to maturity. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit risk*

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meets its contractual obligations. The Company's credit risk is limited to the carrying amount on the balance sheet and arises from the Company's cash and receivables.

The Company's cash is held through a Canadian chartered bank, which are high-credit quality financial institutions. The Company's receivables primarily consist of goods and services tax due from Federal Government of Canada.

*Liquidity risk*

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2009, the Company had a cash balance of $659,469 to settle current liabilities of $57,012. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

*Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term certificates of deposits issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency rate risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is insignificant and therefore does not hedge its foreign exchange risk.

*Sensitivity analysis*

The carrying value of cash, receivables, and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturities of these financial instruments.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be materially affected by credit risk, liquidity risk or market risk.

**Outlook**

The Company is planning an exploration program on the Hog Ranch Property during Fiscal 2009. The Company is also looking to acquire additional mineral exploration properties. As a result of the acquisition of the Hog Ranch Property and the potential acquisition of other properties, the Company's general and administration cost are expected to increase in line with the increased activity in the Company.

**Other**

Subsequent events

On July 1, 2009 the Company entered into a Consulting Agreement with Erick James Bertsch, to provide in-house investor and media relations services for the Company.

**Additional Information**

Additional information is available concerning the Company and its operations on SEDAR at www.sedar.com. Additional financial information concerning the Company is provided in its audited financial statements for the years ended December 31, 2008 and 2007. Copies of this information are available by contacting the Company at its offices located at 1030-789 West Pender Street., Vancouver, BC, V6C 1H2; phone 604-685-8666; fax 604-685-8677.

**Directors and Officers**

The Company’s directors and officers as at the Report Date are:

| Directors: | Officers: |
|---|---|
| T. Barry Coughlan | T. Barry Coughlan – President & Chief Executive Officer |
| T.R. Wilson | T. R. Wilson - CFO |
| George Cavey | Gordon J. Fretwell - Secretary |
| David Rhys | |
| Brian Corrall | |

**Board Approval**

The contents of this management discussion and analysis have been approved and its mailing has been authorized by the board of directors of the Company.

*ON BEHALF OF THE BOARD OF DIRECTORS*

“*T. Barry Coughlan*”
*T. BARRY COUGHLAN, PRESIDENT*